



**Transportation Enhancement Program  
Sponsor Workshop Breakout Session**

**Financial Matters**

# Reimbursement Program

- Not a grant program
- Reimbursement Program – 80% Federal Share – 12 eligible categories
- Match Requirement – 20% Local Share
- Non-profit organizations must work through local sponsor
- FIRE Report – 90 day billing cycle

# Reimbursement Expenditures

- **Cannot reimburse for expenses generally covered under overhead – training, office supplies/equipment, computers, travel to workshops, application preparation, etc.**
- **Can only reimburse for eligible expenditures occurring after federal authorization secured for appropriate phase**
- **Eligible expenditures must be clearly marked and separated from any ineligible or non-participating charges**
- **Professional Services – cannot use “principal” rates and non-salaried direct costs must be charged at actual cost (no mark-up eligible)**
- **Make sure invoices clearly identify what work was performed “what are you paying for”**

# Reimbursement Request Submission

- All reimbursement requests must be submitted to your VDOT District Enhancement Coordinator to verify
- Cover letter should clearly 1) state that all attached invoices have been paid and not previously submitted and 2) identify whether the request is being made for 80% reimbursement of invoice costs or 100% reimbursement of invoice costs based on approved in-kind match
- Submit copies of invoices and evidence of payment
- On invoices having multiple charges – EX newspaper billing – clearly mark which charges are being requested for reimbursement
- Any ineligible charges should be separated and not included in the total or clearly deducted from the total reimbursement amount – EX contractor invoice with new water line installation

# Reimbursement Payment

- Reimbursement due to sponsor within 30 days of receipt in VDOT Central Office
- Budget for VDOT charges
- Charges for VDOT oversight may be deducted – 80% directly from the grant amount and 20% from local payment
- Review examples on Pages 54 and 55 of manual

# QUESTIONS???



## Calculating Match

- The local match requirement is not 20% of the federal amount; but 20% of the total project cost.

For example, if you receive \$100,000 in federal funds, the match would be computed as follows:

- $\$100,000 \div 0.8 = \$125,000$  total project cost
- $\$125,000 - \$100,000 = \$25,000$  match required

OR

- $\$125,000 \times 20\% = \$25,000$  match

Again, the match does not equal 20% of the \$100,000 in federal funds

## In-Kind Match

- **Match – Land, Donated Materials and Services, Volunteer Labor**
- **Expenses must otherwise be eligible for the program**
- **Property value must be based on the time of donation or sale.**
- **Only the value of property needed for the project can be applied to match**
- **Services should be for work that would otherwise be hired or contracted out – professional services – this includes administrative tasks**
- **All in-kind match must be documented – receipts, invoices, appraisals, etc.**



## Documenting In-Kind Match

**Land / Property – appraisal, tax assessment, sale document**

**Volunteer Labor – summary of time and services provided; hourly rates can be from any documented source**

**EX. [http://independentsector.org/volunteer\\_time](http://independentsector.org/volunteer_time)**

**Administrative Time – timesheets with summary and hourly rates; include the task / work being performed**

**Donated Service – invoice or letter with dollar amount of service**

**Donated Material – receipt or letter with dollar amount of material**

## In-Kind Match Requirements

- Property is the only match expense that can be incurred prior to obligation of the federal Enhancement funds
- In-kind expenses for services cannot be incurred prior to federal obligation and execution of the project agreement
- In-kind expenses for construction items cannot be incurred prior to federal obligation, project agreement and completion of the environmental document
- Cannot use “anticipated” expenses as in-kind match
- Un-used match expenses may be carried over for eligible costs in continuing phases
- If possible, match documentation should be submitted for review and approval prior to reimbursement request

## Using In-Kind Match

- When used, in-kind match increases the value of expenditures and therefore the match requirement. Cash match and in-kind match amounts are not interchangeable.

For example:

- Original invoices for reimbursement = \$100,000  
Reimbursement would be \$80,000 federal with \$20,000 match
- If you want to use in-kind match, you are now adding additional expenditures and are in reality asking for reimbursement of \$125,000 in costs. This amount now requires a \$25,000 match.  
Reimbursement would be \$100,000 federal with \$25,000 match

# QUESTIONS??

